

**TESTIMONY OF JEFF NELSON
DUCKS UNLIMITED, Inc.**

REPRESENTING THE VIEWS OF THE

American Fisheries Society	National Trappers Association
Archery Manufacturers and Merchants Organization	National Wild Turkey Federation
Bass Anglers Sportsman's Society	The Nature Conservancy
Boone and Crockett Club	North American Waterfowl Federation
Buckmasters American Deer Foundation	Orion – The Hunter's Institute
California Waterfowl Association	Pheasants Forever
Campfire Club of America	Pope and Young Club
Congressional Sportsmen's Foundation	Quail Unlimited
Conservation Force	Rocky Mountain Elk Foundation
Dallas Safari Club	Safari Club International
Delta Waterfowl Foundation	Sporting Arms and Ammunition Manufacturers Institute
Ducks Unlimited	The Ruffed Grouse Society
Foundation for North American Wild Sheep	Trout Unlimited
International Association of Fish and Wildlife Agencies	Whitetails Unlimited
Izaak Walton League of America	Wildlife Forever
Mississippi Fish and Wildlife Foundation	Wildlife Habitat Council
The Mule Deer Foundation	The Wildlife Society
National Rifle Association	Wildlife Legislative Fund of America
National Shooting Sports Foundation	Wildlife Management Institute

BEFORE THE

**COMMITTEE ON AGRICULTURE
SUBCOMMITTEE ON CONSERVATION, CREDIT, RURAL DEVELOPMENT AND
RESEARCH
U.S. HOUSE OF REPRESENTATIVES**

**CONCERNING:
THE CONSERVATION TITLE OF THE 2002 FARM BILL**

**June 6, 2001
WASHINGTON, DC**

Mr. Chairman, members of the Committee, my name is Jeff Nelson. I am the Director of Operations for Ducks Unlimited, Inc.'s (DU) Great Plains Regional Office in Bismarck, North Dakota. I am a professional biologist with training in wetland and waterfowl ecology. I have worked for DU since 1982 in both Canada and the U.S., initially as a research biologist and eventually as Chief Biologist for our U.S. organization. I currently lead a regional staff of about 70 professionals working in eight north-central states including Colorado, Wyoming, Montana, North and South Dakota, Nebraska, Iowa, and Minnesota.

Ducks Unlimited was founded in 1937 by concerned and farsighted sportsmen and conservationists. It has grown from a handful of people to an organization of over 1,000,000 supporters who now make up the largest wetlands and waterfowl conservation organization in the world. DU has conserved more than 9.9 million acres of wildlife habitat in the U.S., Canada, and Mexico. DU prides itself on its work with private landowners and our ability to assist and advise farmers, ranchers, and foresters on how they can meet their economic goals with their lands while providing high quality habitat for the wildlife that depend on their land for survival.

I appreciate the opportunity to speak with you today on behalf of Ducks Unlimited, but to also present the views of a broad coalition of conservation organizations regarding provisions of U.S. agriculture policy. This coalition consists of 37 groups with a combined membership of nearly 10 million. These organizations represent a diverse spectrum of interests that have come together in support of continuing a strong conservation tradition in U.S. agriculture policy. Some of the groups I represent today include The Nature Conservancy, The Congressional Sportsmen's Foundation, Pheasants Forever, The National Rifle Association, and The Wildlife Management Institute. The International Association of Fish and Wildlife Agencies, which represents all 50 state agencies responsible for management of fish and wildlife resources in this country, supports the testimony of the coalition and will be providing their own perspective on agriculture conservation programs in separate testimony. Collectively, our members and supporters represent a sizable cross-section of our nation's citizenry. You will find a list of these supporting organizations on the title page of this testimony.

AGRICULTURE IS THE KEY TO THE STATE OF OUR NATURAL RESOURCES

The future of wildlife in this country is inseparably tied to actions undertaken on private lands. Agriculture is by far the dominant use on these lands with about 50% of the United States or 900 million acres managed as cropland, pastureland, or rangeland. Federal agricultural programs and policies have an enormous influence on the condition of the nation's air, soil, water, plant, wildlife, and other natural resources. In recognition of this fact, the U.S. Congress incorporated strong conservation titles in the 1985 Farm Bill and has continued this approach in each of the two successive Farm Bills.

Over the past two decades, conservation programs have played an integral role in the economic vitality and general well being of this nation's farmers, ranchers, and foresters. In addition, they have improved conservation on private lands by enhancing and protecting wildlife and their habitat. The increased role and importance of conservation in agriculture and its role in private lands stewardship has given way to dialogue that while contentious at times, has led to consensus and partnerships among government and private interests including commodity groups, individual producers, livestock organizations, and the conservation community. Voluntary,

incentive-based conservation provisions included in national agriculture policy have provided the framework for “win-win” solutions on the farm and across the rural and urban landscape. Our organizations are united in their belief that this Congress will strongly support continued commitment of our federal resources to Farm Bill conservation provisions.

I would like to provide you with our areas of focus followed by brief descriptions of the specific Farm Bill conservation programs and why our coalition considers them absolutely critical to the conservation of our nation’s natural resources.

- **Expand enrollment of the Wetlands Reserve Program to accommodate enrollment of 250,000 acres per year through the duration of the Farm Bill.**
- **Expand the enrollment caps of the Conservation Reserve Program to its original 1985 level of 45 million acres.**
- **Expand the Wildlife Habitat Incentive Program to authorize the expenditures of \$100 million annually.**
- **Establish a Grasslands Reserve Program to authorize up to 1 million acres for enrollment.**

WETLAND RESERVE PROGRAM

The Wetland Reserve Program (WRP) was established by Congress as a conservation title in the 1990 Farm Bill and reauthorized in 1996. The 1996 cap for WRP was set at 975,000 acres nationwide. When it became apparent that this program was very popular among agriculture producers and landowners, and that the cap would be achieved in federal FY ‘01, Congress increased the authorization for WRP by 100,000 acres. The new cap of 1,075,000 acres will be reached during the current year. Popularity of the program remains very high with hundreds of qualified applications submitted across the nation that cannot be accepted without continuation and expansion of WRP.

WRP provides farmers with financial incentives to remove marginal lands from crop production. These lands have proven to be unsuitable for crop production because of the frequency and duration of flooding or soil saturation. The program also helps landowners restore and protect wetlands on their property and to develop land use plans that ensure sustainability and potential economic return over time. WRP provides an alternative for those lands that have proven to be difficult to farm as well as saving taxpayers money due to repeated disasters payments. These restored wetlands help reduce flooding on more productive agriculture lands and in urban areas. They also improve water quality and provide habitat for a diversity of plant and animal life.

Lands enrolled in WRP are protected by either perpetual or 30-year easements or by 10-year technical assistance agreements. Perpetual easements are by far the most popular choice among landowners with 78% percent of agreements falling in this category, 16% 30 year easements and 6% cost share. WRP also covers all or a portion of the restoration costs for lands accepted into the program. If the easement is perpetual, 100 % of the restoration costs are covered. For 30-year easements and 10-year agreements, that coverage is 75% and 50%, respectively. In all cases, landowners retain title of the land and control access and use in accordance with easement provisions.

WRP projects are on the ground in 49 states except for Alaska. Benefits from this program are evident along streams, lakes, bays, and estuaries throughout the country. In addition to the economic benefits for landowners, a myriad of wildlife species, several of them threatened or endangered, have gained improved habitat and are responding in a positive manner. The people who value wildlife and open space, whether they are hunters, anglers, bird watchers or just outdoor enthusiasts, also are obvious beneficiaries of WRP.

The Mississippi Alluvial Valley (MAV) offers a prime example of the benefits of WRP to landowners and to the public at large. The MAV was once a vast bottomland hardwood forest covering some 24 million acres in portions of the states of Missouri, Illinois, Kentucky, Tennessee, Arkansas, Mississippi, and Louisiana. The soil in this region is some of the most fertile in the world, and for more than a century, flood control and drainage projects aimed towards expanding the agriculture base, dominated the landscape for obvious reasons. These projects resulted in 80% of this vast forest being converted to crop production and today less than 5 million acres, of the original 24 million acres, remain, mostly in fragments scattered throughout the MAV. Many of these acres converted to cropland are still subjected to flooding on a frequency and duration that render them very marginal at best for farming. But these lands can produce high quality forests and associated products such as wood fiber, wildlife habitat and recreation. The MAV is the most important wintering area in the world for mallard ducks. Many other species of waterfowl use this region during the fall and winter and some species such as wood ducks and hooded mergansers nest and raise young there. The MAV also is a major migration corridor and nesting area for dozens of neo-tropical songbirds as well as being the year-around home for many species of resident wildlife. These are the very lands that WRP has been so successful in enrolling, to the benefit of farmers and conservation throughout the nation. Quite often, WRP projects are in close proximity of National Wildlife Refuges, National Forests, State Wildlife Areas, or other public lands that in combination, provide important and diverse wildlife habitats.

WRP has been a platform for public/private partnerships throughout the country. For example, Ducks Unlimited has agreements with the Natural Resources Conservation Service (NRCS) in 25 states whereby we assist with wetland restoration to help farmers, and private landowners meet the requirements of WRP and to fulfill the needs and desires of participating landowners. Other examples of these types of arrangements can be found in many states.

RECOMMENDATION: Expand the enrollment cap for WRP to accommodate enrollment of 250,000 acres per year through the duration of the Farm Bill.

CONSERVATION RESERVE PROGRAM (CRP)

No program in history has done more for broad scale conservation of habitat on farmland while offering producers a significant and stable source of income than the Conservation Reserve Program (CRP). When CRP was originally established, Congress authorized an enrollment of up to 45 million acres. That ceiling was later reduced to 36.4 million acres, all of which is now enrolled, outside of a limited number of acres reserved for the Conservation Reserve Enhancement Program, Buffer Strips, and a 500,000 acre program passed late in the 106th

Congress that affects 6 states in the northern great plains region. Obviously, CRP has been very popular with landowners across the country and especially in the vast heartland where the production of commodities dominates the farm economy. With depressed commodity prices being the recent norm, CRP has offered a welcome option to farmers for stable income from some of their most marginal cropland. In fact it has been a critical element for many as they manage their way through these stressful times.

CRP provides habitat for many species of wildlife across the country, but it has been especially important where cropland had replaced grassland. When left undisturbed these grasslands furnish extremely desirable nesting habitat for a host of grassland species and have allowed several species of waterfowl to rebound to record levels following the return of precipitation to the northern prairies in 1993. Grassland birds, one of the fastest declining groups of birds in the country, have also responded positively to the habitat afforded by CRP. Scientists are certain that current U.S. farm bill conservation policy is responsible because ducks and other grassland birds continue to do relatively poorly in Canada where CRP and other similar measures are lacking.

Depressed commodity prices are forcing farmers to diversify and rethink the design of their operations. Some have decided to diversify into grassland-based agriculture and are using CRP to help make the transition. As evidence of this, hundreds of farmers in the Dakotas have restored formerly drained wetlands within their CRP tracts in view of plans for a conversion to grassland-based agriculture and, in some cases, to provide for wetland wildlife. Others are using CRP to stabilize their financial situation and to pay off debt.

By reauthorizing CRP back to its original 45 million acres in the next Farm Bill, farmers will again have the option to enroll their most marginal cropland in a voluntary, incentive-based program that will help generate stable income while reducing acres under production. At the same time, the U.S. taxpayer will benefit from cleaner water and less dredging because CRP helps to control excessive soil erosion into our waterways and prevents damaging wind erosion through best management practices such as no-till cropping. Recovering wildlife populations will be maintained on existing tracts and additional benefits will accrue in new lands enrolled. Increasingly, abundant wildlife is helping to diversify income sources for farmers who are responding to strong demand for fee hunting opportunities by operating commercial hunting businesses. As previously mentioned, pheasant hunting in South Dakota is now an 80 million dollar a year industry, an opportunity driven largely by the response of these birds to an abundance of CRP. Clearly CRP will continue to help the agricultural sector of our economy diversify and stabilize while providing many benefits to society beyond those realized directly at the farm-gate.

Payments from CRP can help farmers refinance existing debts, help pay for farm mortgages, and during very lean times, help cover living expenses. CRP payments are dependable sources of income during times of drought and poor crop production, and conversely, during periods of good production but low market prices. Dedicating some of our most marginal farmland to conservation through these programs provides a logical compliment to commodity related programs such as loan deficiency payments, crop insurance, and emergency farm support payments that stem from economic difficulties faced by the agricultural community.

Contrary to what some people believe, CRP has not contributed significantly to the decline of rural economy. Trends toward larger farms began early in the 20th century and are evident even in Canada where CRP has never existed. Slim profit margins make for larger farms. More active cropland exists today in North Dakota, a state with an abundance of CRP, than did prior to 1985 when CRP was first authorized. Annually fallowed cropland has declined, leaving soil in better shape and the impact of soil erosion much reduced. We believe that CRP contributes to the financial stability of small operations and allows families to maintain ownership of their land. It is a very popular program with landowners, a sure-fire testament to its importance in today's farm towns. Simply put, enrollment and the tremendous benefits that come from the program are now limited by the acreage cap. In summary, investing in conservation programs like CRP through the Farm Bill makes sound economic and business sense, as well as providing the American public with excellent natural resource benefits.

RECOMMENDATION: Reauthorize CRP and restore the enrollment caps to the program's original 1985-1995 level of 45 million acres.

WILDLIFE HABITAT INCENTIVES PROGRAM

The Wildlife Habitat Incentives Program (WHIP) was one of a set of conservation provisions added to the amended 1985 Food Security Act of 1996. WHIP was developed to assist landowners with habitat restoration and management activities, specifically targeting fish and wildlife, including threatened and endangered species. Within the framework of state, regional, and national habitat priorities, WHIP funds were allocated to states based on plans developed by NRCS State Conservationists in consultation with state technical committees. With the \$50 million originally authorized for WHIP in the 1996 FAIR Act, 8,455 projects were funded which provided for 1.3 million acres of habitat. These projects benefited a wide range of fish and wildlife species, from the economically and culturally important species such as northern bobwhite quail and Atlantic salmon to threatened and endangered species such as the Karner blue butterfly and Indiana bat. The \$50 million for WHIP was exhausted in 1999, but the program has been funded at \$12.5 million for FY 01. While extremely popular, WHIP turns away the majority of applicants because of a lack of adequate funding. Mr. Chairman, your state is a good example of this. In 1999, Oklahoma was one of the top 5 states in the country with 428 WHIP applicants. Only 74 of those were funded.

WHIP's popularity with landowners and conservation partners is based on its targeted fish and wildlife benefits and because it addresses important management needs on lands that are not eligible for cost-share under other USDA conservation programs.

RECOMMENDATION: Increase WHIP funding to \$100 million/year.

GRASSLAND RESERVE PROGRAM

Most grasslands in the heartland of the U.S., running from Texas to the Canadian border, have been converted to cropland since the 1800s. Nearly all of the tall-grass prairie has been converted to row-crop agriculture and now produces some of the best corn and bean crops in the

world. The mid-grass and short-grass prairies, further west, are becoming increasingly fragmented, but still provide a critical basis for our nation's livestock industry. The ranchers who steward these lands do so mostly on their own. Once plowing begins, these lands have traditionally supported the production of small grains in a crop/fallow system of cultivation. More recently, these areas are being converted increasingly to the production of new varieties of soybeans and other crops that are more drought-tolerant. Once broken, native prairie can only be restored to its former productivity and use after many years of intensive management needing both technical and financial assistance.

Remnant grasslands provide for an abundance of wildlife habitat, particularly for several rapidly declining species of grassland nesting birds. In North Dakota alone, over 70% of native grasslands have been lost. These grasslands are important to waterfowl and critical to declining songbirds and shorebirds such as Sprague's Popit, Bairds Sparrow, and McCown's Longspur. More than 300 migratory bird species rely on the prairies, 170 species for breeding and nesting habitat and another 130 for feeding and resting during spring and autumn migrations. Many other wildlife depend on the prairies, including 25 mammals, 8 reptiles, 4 amphibians, and more than 55 species of butterflies. The prairies also support over 400 grass and forb species, many of which might be the basis for crops or medical cures of the future. Native prairie is comprised of hundreds of species of plants supporting a multitude of unique species. Many of these plant species could have agronomic or economic value as new cultivars of grain and other crops are developed by future generations. Once plowed, this assemblage of species is nearly impossible to completely restore.

The soils supporting most remnant grasslands are generally unproductive and are often subject to high rates of erosion. Ranchers have expressed a great deal of interest in obtaining assurance that these lands remain in well-managed grassland as the basis for a vibrant ranching economy. At the same time, ranchers too are suffering from a prolonged downturn in the agricultural economy. In the Dakotas, several hundred ranchers have opted to sell the right to cultivate these lands to the U.S. Fish and Wildlife Service in an effort to secure the grassland base while generating income for debt retirement, additional land acquisition, or other purposes. But that program is small and limited to a relatively few ranchers. Hundreds more wait in line to have their ranches assessed for enrollment in that program.

The next Farm Bill should include funding for ranchers who desire to sell permanent or 30-year easements against the cultivation of grassland. This would provide an additional source of capital to that sector, which has traditionally been left out of farm programs. At the same time, it would prevent more marginal land from being converted to cropland while helping to secure what is left of our native grasslands and their associated wildlife.

Conversion of native grasslands for agricultural commodity production has progressed unabated for decades. Even after the passage of "Sodbuster" regulations in the Food Security Act of 1985, agricultural producers can and do continue to convert native, highly-erodible-lands, subject to securing a conservation plan that requires sufficient "residue" to remain on converted lands each fall. For example, USDA estimates that between 1982 and 1997, over 1.4 million acres of rangeland was converted in a major portion of the Northern Great Plains. Although most of these lands are marginal in value for agricultural production, they are in most cases highly

valuable and necessary habitat for a large variety of wildlife as well as the ranching industry. Long-term protection and restoration of native grasslands will serve to not only limit the conversion of marginal lands for development and agricultural production, it will also serve to maintain livestock ranching traditions well into the future.

Rangeland Trends in portions of the Northern Great Plains (1,000 of Acres)

Area	1982	1987	1992	1997	Total Loss 1982-1997
West River SD	16,977.3	16,728.8	16,520.9	16,403.6	573.7
West River ND	5,282.0	5,127.8	5,134.5	5,097.9	184.1
Eastern Montana	20,948.6	20,701.6	20,605.8	20,468.9	479.7
Eastern Wyoming	10,415.7	10,365.8	10,259.0	10,245.6	170.1
Totals	53,623.6	52,924.0	52,520.2	52,216.0	1,407.6

Source: USDA Natural Resources Inventory (NRI), National Summary 1982-1997

Key components of a Grassland Reserve Program should contain the following:

- Enrollment in the program of up to 1 million acres.
- Methods of enrollment include permanent or 30-year easements, or the maximum duration allowed by state law, similar to the Wetland Reserve Program.
- Eligible lands include native grassland or land that is located in an area that has been historically dominated by native grassland and has potential to serve as habitat for animal or plant populations of significant ecological value if the land is restored to native grassland, as well as lands incidental to otherwise eligible lands.
- Landowners must agree to retire any cropland base and allotment history for the land acquired under easement for the duration of the easement.
- Landowners may continue to graze the land in a manner that is consistent with maintaining the viability of native grass species indigenous to that locality. They may also conduct haying, mowing, or seed production, except that such uses are not permitted until the end of the primary nesting season for birds in the local area, or July 15.
- Easements prohibit the production of any agricultural commodity that requires breaking of the soil surface, and any activity that disturbs the surface of the land, such as plowing or disking.
- Provide up to 75% cost share for restoration of easement lands.
- Easement payments are made in the amount equal to
 - (A) In the case of permanent easement, the fair market value of the land less the grazing value of the land encumbered by the easement; and
 - (B) In the case of a 30-year easement or an easement for the maximum duration allowed under applicable state law, 30 percent of the fair market value of the land

less the grazing value of the land for the period that the land is encumbered by the easement.

RECOMMENDATION: Establish a Grassland Reserve Program of 1 million acres to help conserve native grasslands and the ranching lifestyle.

CONSERVATION IS GOOD FOR THE AGRICULTURE ECONOMY

While Farm Bill conservation provisions are conserving millions of acres of critical wildlife and natural resource habitat, it is equally important to highlight the programs' roles in providing an economic safety net for thousands of small family farmers. With commodity prices falling to historic levels, the payments associated with Farm Bill conservation such as the Conservation Reserve Program (CRP) and the Wetlands Reserve Program (WRP) help farmers refinance existing debts, pay for farm mortgages, and during very lean times, cover living expenses. CRP payments are dependable sources of income during times of drought and poor crop production, and conversely, during periods of good production but low market prices. And because program acreages are withdrawn from crop production, farmer participation in these programs also helps mitigate taxpayer liabilities for federal payments of commodity price supports, crop insurance, and emergency farm support payments during extremely poor crop production periods.

Some have described CRP and WRP lands as “idle lands”, however, the reality is that CRP and WRP are very much “working” lands for their production of renewable wildlife populations, development of natural vegetation communities, and for their conservation of soil and water resources. For many producers, CRP allows them to manage their lands for wildlife and develop alternative sources of income beyond farming. For example, pheasant hunting in South Dakota is now an 80 million dollar a year industry, thanks in large measure to CRP. Nationwide, USDA estimates that CRP provides \$2 billion annually in wildlife benefits. We have excellent data on how CRP is responsible for sizable population increases in waterfowl and other migratory birds. Migratory birds generate billions of dollars of economic impact and provide enjoyment for millions of Americans throughout the U.S.. When examining the natural resource ledger, USDA found that, on an annual basis, CRP also provided air, soil, and water quality benefits of \$1.1 billion. In summary, investing in Farm Bill conservation clearly makes good economic and business sense.

CONCLUSION

We are here today to pledge our support to you and this Congress as you establish agriculture policy at the outset of the 21st century. We urge you to continue and expand an agriculture policy approach that has proven successful in achieving recent conservation gains along with providing economic benefits for family farmers. Farm policy that includes wetland and grassland protection features (i.e., Swampbuster, Sodbuster) in combination with voluntary incentive programs such as the Conservation Reserve Program (CRP), Wildlife Habitat Incentives Program (WHIP), and the Wetland Reserve Program (WRP) has proven to be highly effective. To add to these successes, we also strongly endorse the establishment of a USDA Grassland Reserve Program.

Many issues that farm policy must address deal with current and immediate needs. Producers must be able to survive, and hopefully prosper, while they work to provide food, fiber and shelter so important to our quality of life. However, conservation of soil, water, wildlife and other natural resources requires a long-term strategic view. The Subcommittee on Conservation has the special challenge to incorporate the long-term vision of adequate open space, an abundance of clean water and habitat for other creatures, with the need to ensure a sound financial base for agriculture. By supporting conservation along with the other titles of the Farm Bill, you will be leading the effort to convince your colleagues in Congress that a comprehensive approach to national agricultural policy is the best way to address the expectation of farmers, ranchers, foresters and all taxpayers.

No one will refute that during the past century our populace has shifted strongly towards urbanization. In many ways, this shift has benefited our citizens. But, this incredible gathering of people in the cities and suburbs is annually threatening tens of thousands of acres of our national open land base with intensive development. Moreover, the appreciation for land stewardship and natural resources shared by conservation groups and agricultural producers is being lost with increasing urbanization. The mutual desire and demonstrated need to maintain an adequate and well-managed rural land base provides another patch of common ground and even makes it imperative for agricultural producers and wildlife enthusiasts to convene together as conservationists.

Thank you for the opportunity to provide comments as you deliberate the role and future of conservation titles in agriculture policy. I hope we have made a strong case that maintaining and expanding the scope of several proven conservation programs that are integral to a successful and balanced farm policy. The long-term health of our country and its citizens depends upon merging agriculture and conservation together in decision-making processes. We can lead the world in agriculture production while we maintain and improve our environment at the same time. The road to successfully achieving those goals starts with this subcommittee.

Mr. Chairman, thank you for this opportunity to present our view of the importance of Farm Bill conservation programs. Please do not hesitate to call upon us for any reason regarding these important issues. I would be happy to answer any questions you might have.